

Minutes of the Commission Meeting of the Board of Commissioners, Carbon County, State of Utah, held January 20, 2016 at the Courthouse Building, Price, Utah, commencing at 4:30 p.m.

Those present: Jake Mellor, Acting Commissioner
Casey Hopes, Commissioner
Jae Potter, Commission Chair, Excused

Also present: Seth Oveson, Clerk/Auditor
Lori Perez, Deputy Clerk
Jeff Wood, Sheriff
Christian Bryner, Attorney
Rose Barnes, HR

Clerk's Certificate of Compliance with Open Meeting Law was filed.

Commissioner Mellor welcomed everyone and led the Pledge of Allegiance. The meeting began at 4:37 p.m.

1) Approval of Minutes

For the January 6, 2016 Commissioner Meeting, Commissioner Hopes corrected the last sentence in paragraph one of item #8 to read, "East Carbon City is proposing to pay for the employees and operations for the 4th day." The next paragraph needs to read "Socialization allows those living alone to come to the Senior Centers for visiting, playing games, tying quilts, doing crafts or playing pool". Commissioner Hopes made a motion to approve the January 6, 2016 Commission Meeting minutes with the corrections, Commissioner Mellor stepped down and seconded. Motion carried.

Commissioner Hopes made a motion to approve the December 16, 2015 Commission Meeting minutes. Commissioner Mellor stepped down and seconded. Motion carried.

Commissioner Hopes made a motion to approve the January 6, 2016 Work Meeting minutes. Commissioner Mellor seconded. Motion carried.

2) Adjourn as Carbon County Board of Commissioners; Convene as the Carbon County Economic Development Agency

Commissioner Hopes made motion to adjourn as the Board of Commissioners and reconvene as the Carbon County Economic Development Agency. Commissioner Mellor stepped down and seconded. Motion carried.

A. *Public Hearing to receive all public comments and written and oral objections regarding the draft Price River Terminal Community Development Project Area Plan.*

Commissioner Mellor opened the public hearing at 4:38 p.m.

Attorney Adam Long explained the purpose of the redevelopment agency. The County set up a redevelopment agency which is a separate legal body and the County Commission is the governing board. This entity is granted certain tools by statute to encourage economic development by providing infrastructure or offering incentives to businesses. This project area plan is a frame work; this is the first step in setting up a project area which is a defined geographic area where the redevelopment agency can participate in a wide variety of economic development activities. In this project area the County hopes to attract further petroleum related businesses. One concern raised is what will it do to our property taxes, the answer is nothing. Property taxes will not change. The way taxes come into play is by the availability of tax increment. Mr. Long explained that the difference between the property taxes paid today and the taxes paid post development is the tax increment. The opportunity exists for the agency to use some of that tax increment for economic development activities such as incentives or providing infrastructure. The next step is to negotiate with taxing entities. Mr. Long is willing to answer any questions.

John Morgan Lund said he is fascinated by this project. He previously had asked for a copy of the draft proposal prepared by the Carbon County Development Agency. He said it contains an open ended proposal. Mr. Lund had concerns with his copy of the proposal that has areas marked in red and areas that are blank and the date on the document being today's date. Seth explained the blank areas on the draft copy are there because information was still being gathered and are now available on the final version. It is dated today's date because this is the form

proposed for adoption tonight after the public hearing. Christian said this is the form that is proposed to adopt, it has not been adopted yet. Seth said a complete proposal was available and he offered one to Mr. Lund.

Mr. Lund also believes point seven should be expanded. He questioned job creation, the document being too generalized, generalization concerning economic benefits, the creation of numerous full time jobs, open ended phrases and the need for more specific information. Commissioner Mellor asked him for a resolution. Mr. Lund wants the Commission to do more research. Mr. Lund is alarmed that the Commission will act upon this document tonight. He doesn't understand this document and he disputes what the attorney said concerning where the money will come from.

Commissioner Hopes said funding all depends on the project. This is a tool that has been used multiple times in the County and throughout the State. The increment will pay for the infrastructure. Any extra increment will roll into a fund to pay for additional projects.

Christian said this is not a question and answer period, Mr. Lund can ask his questions without comment and finish in his entirety and let the Commission speak after he is finished. Mr. Lund read parts of the proposal. He asked what are the tax incentives. He claims the Commission doesn't have enough information to make a decision. He is still confused and lost. He advises the Commission to not act on this until the document makes more sense. He is excited about this project but he doesn't understand it.

Commissioner Mellor asked Christian if the document was typical for redevelopment areas. Christian said from what he has seen it is quite typical but would like Attorney Long to address the concerns expressed. Commissioner Mellor said the generality has a purpose and the hope and desire is to attract businesses and jobs to the area.

John Morgan Lund came back to the microphone and asked where the water is coming from and how much would be used. He asked what industry is coming, is it a chemical plant, a refinery or a what.

Commissioner Hopes said we do not know who is coming. This is setting up an agency to try and attract businesses to the project.

Attorney Adam Long explained that the key point to note here is this document is doing nothing but setting up the framework. There are no dollars involved with this action being considered. There are no specific projects or industry yet. This is a forward looking action working towards offering incentives or infrastructure to accelerate that development or make it happen at all. Commissioner Mellor said this is a bargaining chip to attract companies to come here instead of going to a neighboring county. Attorney Long said that is exactly right. Any tax money that gets shared from the tax entities is done according to a separate agreement that the agency will enter into with that particular tax entity. That's what controls where the flow of any property tax money goes. Likewise, the agency with any potential developer that receives incentives or infrastructure or any other things will also be done according to a written agreement. Those agreements always have performance matrix in them whether its job creation or payment of a certain wage or capital investment or any number of other things. The goal is the taxing entities get their money's worth. From the business development stand it gives that business a small boost for a short period of time until the business is established and everyone in the county is better off.

Commissioner Hopes said all projects will be brought forward in a public meeting to address any monies or agreements with those specific companies before the Commission acts. Any agreements with PRWID or the School District would have to be reviewed in a public meeting, the same way as this document is being reviewed just to establish the area. Every business that wants to be a part of that business development area would have to meet in a public meeting and explain what they are doing, what water they may need, what infrastructure they are asking for or what incentives are part of the deal.

Attorney Long asked for any other questions.

Seth said since the document has been available in the Clerk/Auditors office, they have received several calls from the public especially from the upper end of project area which is between Wellington and the Price River Terminal area. The biggest concern heard was that the area was part of an annexation into Wellington City. After explaining that this is not the purpose of the area, that it is the designation of a project area for economic development, all of the property owners appeared happy and did not have any additional questions.

Commissioner Mellor said he has heard the same concern but he asked what would keep Wellington City from annexing in the future once it is producing industrial area. Seth said if Wellington City wanted to annex in any area they would have to follow the normal procedure. He doesn't think setting up the project area would inhibit or help an annexation.

Attorney Long said a project area would not influence the annexation process from a legal perspective one way or another. If Wellington were going to annex any area they would have to go through the normal annexation process which requires approval by a certain percent of the property owners representing a certain percentage of acres and other entities involved have the option to object. This project does not have a legal impact on future annexation one way or another. Seth said Carbon County has had project areas in the past, noting the East Price Project area which includes Walmart and Sutherlands, which expired in 2014. That project area was partly in the city limits and partly in the County. It makes the increment calculation more interesting but didn't affect the nuts or bolts, just the different taxing entities involved.

Commissioner Mellor asked Tami to explain tax incentives. Tami said the tax incentives are going to be dependent on the different entities. We have to have the development areas set up or the State of Utah cannot offer tax incentives. The incentives do not have to come from the city or county, they can just come from the State. If the State does offer incentives, usually the city or county will offer something as well which can be infrastructure, roads, or whatever is being negotiated with that company. We do need to help support whatever the State is doing in order to attract companies. We do need the jobs and the new businesses. Commissioner Mellor further explained for example a company may look at three different locations and the incentives may make the difference. Tami said the post-performance incentives allow companies to stay here and that they are coming for the right reasons.

Kathy Smith is glad that Carbon County is ahead of the curve and getting progressive in development because we will be ready to go and have the right to choose who will develop in that particular area. She would like to know the location of the project area and the size of the property. She does support the Community Development Project area.

Commissioner Mellor closed the public hearing at 5:07 p.m.

- B. *Discussion and possible action on Agency Resolution EDA 2016-1; A RESOLUTION APPROVING AND ADOPTING THE COMMUNITY DEVELOPMENT PROJECT AREA PLAN FOR THE PRICE RIVER TERMINAL COMMUNITY DEVELOPMENT PROJECT AREA AS THE OFFICIAL PLAN FOR THE PROJECT AREA.*

Commissioner Hopes after having reviewed the development area made a motion to approve Resolution EDA 2016-1 adopting the Community Development Project Area Plan. Commissioner Mellor clarified that any changes in the future can be passed by resolution, he stepped down and seconded. Motion carried.

- C. *Adjourn as the Carbon County Economic Development Agency; Reconvene as the Carbon County Board of Commissioners*

Commissioner Hopes made a motion to adjourn and reconvene as the Carbon County Board of Commissioners. Commissioner Mellor stepped down and seconded. Motion carried.

- 3) **Discussion and possible action on Carbon County Ordinance 477: AN ORDINANCE ADOPTING THE PROJECT AREA PLAN FOR THE PRICE RIVER TERMINAL COMMUNITY DEVELOPMENT PROJECT AREA, AS APPROVED BY THE CARBON COUNTY ECONOMIC DEVELOPMENT AGENCY, AS THE OFFICIAL COMMUNITY DEVELOPMENT PROJECT AREA PLAN FOR THE PROJECT AREA.**

Christian explained that the previous public hearing concerned the community development area and to adopt the plan by the Community Development Agency and now this needs to be adopted by County ordinance.

Commissioner Mellor said that we will continue to answer questions and reach out to the community. It is important that we let people and the community know what is happening. Tami Ursenbach, Economic Development Director, would be a good contact for those with questions.

Commissioner Hopes made a motion to approve Ordinance 477 adopting the project area plan for the Price River Terminal Community Development Project Area. Commissioner Mellor stepped down and seconded. Motion carried.


4) **ABC Learning Center Request for Donation – Richard Lee**

Commissioner Hopes made a motion to table this item. Commissioner Mellor stepped down and seconded. Motion carried.

5) **Review and Approval of Departmental Reports & County Warrant Edit Reports**

Commissioner Hopes made a motion to adjourn. Commissioner Mellor stepped down and seconded. The meeting adjourned at 5:10 p.m.

ATTEST:


Seth Oveson, County Clerk/Auditor


Jake Mellor, Acting Chairman

